



## Rule Fact Sheet

Updated December 3, 2003

### Emission Reporting

#97-18(APCB)/ LSA Document #01-249

#### Overview

This rulemaking amends the emission reporting rule by changing applicability, adding reporting parameters to be consistent with the federal consolidated emission reporting rule (CERR) and section 182(a)(3)(B)(ii) of the 1990 Clean Air Act, reducing the reporting schedule from annual to triennial reporting for many sources, adding definitions to clarify the requirements, revising existing definitions for clarification and consistency, and deleting definitions that are no longer needed. This rulemaking also amends the emission reporting rule by adding a requirement giving the department authority to request additional emissions information, including hazardous air pollutant (HAP) emissions, from sources permitted by the department.

#### Citations Affected

Amends 326 IAC 2-6.

#### Affected Persons

The public and approximately 800 businesses in Indiana will be affected by this rule.

#### Reason or Reasons for the Rule

The reasons for the rule are to update the rule, make it more efficient, reduce the reporting burden where there is no environmental benefit, consistent with the federal Consolidated Emission Reporting Rule issued on June 10, 2002, and to provide the department with the authority to request HAP emissions to support air quality planning. However, these amendments do not include adding PM<sub>2.5</sub> and ammonia to the reportable pollutants list as regulated by the CERR; these amendments will be done in a subsequent rulemaking.

#### Economic Impact of the Rule Proposed for Final Adoption

IDEM has estimated that there is a cost savings associated with this rule estimated at \$558,148, due to the reduction in the number of sources required to submit an emission statement. The additional emission information request could cost anywhere between \$0 and \$676,532, the maximum amount if IDEM were to request HAP emission estimates from all sources.

#### Benefits of the Rule

Citizens will benefit from the additional information made available through these amendments. The regulated sources will benefit from reduced regular reporting requirements and changes to the emission statement submittal date.

#### Description of the Rulemaking Project

The emission reporting rule, 326 IAC 2-6, was adopted by the Air Pollution Control Board and became effective in 1993. It requires air emission sources over specified emission thresholds to report their actual emissions of certain pollutants to the department annually. This information is used for air quality planning purposes and is also the basis for fee billing under 326 IAC 2-7. A basic emissions reporting program is required by the federal Clean Air Act.

On November 1, 1997, IDEM published a First Notice of Comment Period in the Indiana Register concerning amendments to the emission reporting rule. In the notice, IDEM identified several issues that were to be addressed in the rulemaking. Those issues included adding definitions to clarify the requirements of the rule, revising existing definitions for clarification and consistency, and adding

particulate matter (PM) to the list of pollutants to be reported and used for applicability determinations. IDEM also solicited comment on whether and how the rule should be amended to require the reporting of hazardous air pollutants (HAPs). On February 1, 2001, IDEM published a Second Notice of Comment Period in the Indiana Register and the Air Pollution Control Board (APCD) preliminarily adopted (proposed rule) amendments to the existing emission reporting rule on April 12, 2001.

The proposed rule expanded the applicability to include federally enforceable state operating permits (FESOPs) and required regular reporting of specified HAP emissions. The proposed rule also provided the department the authority to request additional emission information as needed. There were significant comments by numerous stakeholders at the public hearing. In the summer of 2001, IDEM worked with stakeholders to discuss how to achieve the goals of the rulemaking while minimizing the burden on reporting sources.

At the October 30, 2001 Environmental Quality Service Council (EQSC) meeting, IDEM and other interested parties made presentations on the proposed rule. The EQSC recommended that IDEM establish a workgroup to consider issues raised as a result of the proposed rule. Also, during the 2002 Indiana General Assembly, legislation was passed (SEA 259) requiring IDEM and Indiana State Department of Health (ISDH) to develop a five-year HAP strategy to ensure that any new HAP emission reporting would be tied to IDEM and ISDH strategic goals for reducing HAP risks and relevant data needs. During this time, the U.S. EPA also issued the federal Consolidated Emission Reporting Rule (CERR) on June 20, 2002.

The rule that IDEM is proposing for final adoption takes into account discussions from the workgroup meetings, needs identified in the five-year HAP strategy, and the new U.S. EPA reporting requirements in the CERR. It eliminates the regular HAP reporting requirement that was in the proposed rule, but retains the proposed authority for IDEM to request additional emissions information, including HAP emissions. IDEM will rely on the additional information request authority to obtain HAP data for specific HAP projects.

Following is a summary of the rule proposed for

final adoption:

- Emission statement requirement applies to Title V permit sources, sources emitting more than twenty-five (25) tons per year of NOx or VOC in ozone nonattainment areas, and sources with the potential to emit more than five (5) tons per year of lead.
- Larger sources over specified thresholds and sources in ozone nonattainment areas must submit an emission statement annually and all other major sources must submit triennially.
- Emission statement requires regular reporting for CO, NOx, PM10, SO2, VOC, and lead.
- Emission statement requires reporting for many data elements, including stack information.
- All permitted sources are subject to the additional information requests provision, including emissions of HAPs.

### **Scheduled Hearings**

First Public Hearing: April 12, 2001.

Second Public Hearing: December 3, 2003.

### **Consideration of Factors Outlined in Indiana Code 13-14-8-4**

Indiana Code 13-14-8-4 requires that in adopting rules and establishing standards, the board shall take into account the following:

- 1) All existing physical conditions and the character of the area affected.
- 2) Past, present, and probable future uses of the area, including the character of the uses of surrounding areas.
- 3) Zoning classifications.
- 4) The nature of the existing air quality or existing water quality, as appropriate.
- 5) Technical feasibility, including the quality conditions that could reasonably be achieved through coordinated control of all factors affecting the quality.
- 6) Economic reasonableness of measuring or reducing any particular type of pollution.
- (7) The right of all persons to an environment sufficiently uncontaminated as not to be injurious to:
  - (A) human, plant animal, or aquatic life; or
  - (B) the reasonable enjoyment of life and property.

### **Consistency with Federal Requirements**

The amended rules are consistent with federal rules.

**Rulemaking Process**

The first step in the rulemaking process is a first notice published in the *Indiana Register*. This includes a discussion of issues and opens a first comment period. The second notice is then published which contains the comments and the departments responses from the first comment period, a notice of first meeting/hearing, and the draft rule. The Air Pollution Control Board holds the first meeting/hearing and public comments are heard. The proposed rule is published in the *Indiana Register* after preliminary adoption along with a notice of second meeting/hearing. If the proposed rule is substantively different from the draft rule, a third comment period is required. The second public meeting/hearing is held and public comments are heard. Once final adoption occurs, the rule is reviewed for form and legality by the Attorney General, signed by the Governor, and becomes effective 30 days after filing with the Secretary of State.

**IDEM Contact**

Additional information regarding this rulemaking action can be obtained from Susan Bem, Rules Development Section, Office of Air Quality, (317) 233-5697 or (800) 451-6027, press 0, and ask for extension 3-5697 (in Indiana).